LEGISLATIVE SERVICES AGENCY

OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6297 NOTE PREPARED: Mar 1, 2022 **BILL NUMBER:** HB 1041 **BILL AMENDED:** Jan 26, 2022

SUBJECT: Participation in School Sports.

FIRST AUTHOR: Rep. Davis

BILL STATUS: As Passed Senate

FIRST SPONSOR: Sen. Donato

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires, for purposes of interscholastic athletic events, school corporations, public schools, nonpublic schools, and certain athletic associations to expressly designate an athletic team or sport as one of the following:

- (1) A male, men's, or boys' team or sport.
- (2) A female, women's, or girls' team or sport.
- (3) A coeducational or mixed team or sport.

The bill prohibits a male, based on the student's biological sex at birth in accordance with the student's genetics and reproductive biology, from participating on an athletic team or sport designated as being a female, women's, or girls' athletic team or sport. It requires school corporations, public schools, certain nonpublic schools, and certain athletic associations to establish grievance procedures for a violation of these provisions.

The bill establishes a civil action for a violation of these provisions. It also provides that school corporations, public schools, certain nonpublic schools, and certain athletic associations are not subject to liability in a civil, administrative, disciplinary, or criminal action for acting in compliance with these provisions.

Effective Date: July 1, 2022.

Explanation of State Expenditures:

<u>Explanation of State Revenues</u>: Court Fee Revenue: Any impact on state revenue is expected to be minimal. If additional civil actions occur and court fees are collected, revenue to the state General Fund may

HB 1041

increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

In addition, some or all of the judicial salaries fee (\$20), public defense administration fee (\$5), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Proceeds from the automated record keeping fee (\$20) are deposited into the State User Fee Fund.

Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

Explanation of Local Expenditures: Public schools would need to review and potentially change their policies as well as create a grievance procedure (if one was not already established) to be in compliance with the bill. The bill would result in a small workload increase that would be completed with existing staff and resources.

Explanation of Local Revenues: Court Fee Revenue: Any impact on local revenue is expected to be minimal. If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge, depending upon the particular type of case.

Persons filing a civil case are also required to pay the following fees that are deposited in local funds.

The document storage fee (\$5) is deposited into the clerk record perpetuation fund.

The following fees are deposited into the general fund of the county in which the court is located:

- Document fees (\$1 per page) are charged for preparing transcripts or copies of record or certificate under seal.
- A civil garnishee defendant service fee (\$10) is collected from the filing party for each defendant beyond the first three garnishee defendants cited in the lawsuit.

State Agencies Affected:

Local Agencies Affected: Trial courts, city and town courts; Public schools.

Information Sources:

Fiscal Analyst: Austin Spears, 317-234-9454.

HB 1041